

STATE OF IOWA  
PROPERTY ASSESSMENT APPEAL BOARD

**Royce D. & Leona M. Hutton,**  
Petitioners-Appellants,

v.

**Tama County Board of Review,**  
Respondent-Appellee.

**ORDER**

**Docket No. 11-86-0022**  
**Parcel No. 55000-0637020**

On October 7, 2011, the above-captioned appeal came on for consideration before the Iowa Property Assessment Appeal Board. The appeal was conducted under Iowa Code section 441.37A(2)(a-b) and Iowa Administrative Code rules 701-71.21(1) et al. Petitioners-Appellants Royce D. and Leona M. Hutton requested their appeal be considered without hearing. They were self-represented. The Board of Review designated County Attorney Brent D. Heeren as its legal representative. The Appeal Board now having examined the entire record and being fully advised, finds:

***Findings of Fact***

Royce and Leona Hutton, owners of property located at 610 W. 9th Street, Tama, Iowa, appeal from the Tama County Board of Review decision reassessing their property. According to the property record card, the subject property is a one-story, frame dwelling built in 2004 with 1980 square feet of total living area on 0.399 acres. It has a 600 square-foot, two-car attached garage. The dwelling has a full basement with 1788 square feet of living-quarters finish, a 336 square-foot wooden deck, a 528 square-foot concrete patio and a 28 square-foot open porch. The dwelling has a 3+10 quality grade and is in normal condition.

The real estate was classified as residential on the initial assessment of January 1, 2011, and valued at \$244,800, representing \$17,400 in land value and \$227,400 in dwelling value.

Huttons protested to the Board of Review on the grounds (1) the assessment is not equitable as compared to similar properties in the taxing jurisdiction under Iowa Code 441.37(1)(a), and (2) the property is assessed for more than the value authorized by law under section 441.37(1)(b). They claimed the actual value of the property is \$225,000, allocated \$17,400 to land value and \$207,600 to dwelling value. The Board of Review denied the protest.

Huttons then filed their appeal with this Board and claimed the same grounds. They identified three properties as equity comparables. Based on information on a spreadsheet that we assume was created by the Board of Review, all three properties have the same map factor as the subject and are given physical depreciation from 1% to 5% depending on the year they were built. Total assessed values range from \$180,460 to \$237,120 with a median of \$192,050. The properties range in sale price per square foot from \$93.59 to \$124.80 with a median of \$117.50 per square foot. The subject property is assessed near the upper end of the range at \$123.64 per square foot. This may be the result, in part, of two of the equity comparables having 900 square foot of basement finish and the other property having none, as compared to the subject property's 1788 square feet of living-quarter basement finish. Additionally, two of the properties have lower quality grades than the subject property. No adjustments were made to the properties' features to account for their difference and the information is of limited value in the equity analysis. Also, we were not provided with property record cards for the identified properties for further analysis. Considering differences and similarities between the subject property and the first comparable, which appears the most similar in age, size, and quality, inequitable assessment is not shown.

Sales data was provided for three properties in addition to the subject property, which sold between mid-June 2010 and early 2011. We assume the Board of Review prepared the spreadsheet that compared the subject property to the identified sale properties. The properties were built between 2003 and 2010 with grade classifications all below the subject property's grade. All properties are

roughly 550 to 750 square feet smaller than the subject property. The Hutton property was built in 2004 and has a grade classification of 3+10. The unadjusted sale price per square foot ranged from \$108.75 to \$128.45 with a median of \$120.19. The subject property sold in 2006 for \$113.64 per square foot. Because the sale occurred five years earlier, it is not persuasive evidence of the January 1, 2011, value. The assessments of the sales comparables range from \$110.88 per square foot to \$124.80 per square foot with a median of \$120.98 per square foot, compared to the subject property assessment of \$123.64 per square foot. We note the subject property's assessment falls within both the range of the sale prices per square foot and the range of the assessed values of the sales comparables per square foot. These comparisons do not support a claim of inequity or over-assessments.

Huttons purchased the property on August 1, 2006 for \$225,000. Michael Wedmore of Wedmore Appraisal Service in Tama completed a summary appraisal report for lending purposes valuing the property at \$220,000 as of July 27, 2006. Wedmore noted that the subject property is located in a new development overlooking a golf course. In his opinion, there was some external obsolescence due to older houses to the south of the subject property and its being close to busy train tracks. Because the Wedmore appraisal used 2005 and 2006 sales, it is outdated and not a reliable indicator of January 1, 2011, value.

Huttons also submitted an appraisal completed by Brett Bro for lending purposes valuing the property at \$220,000 as of March 20, 2009. Bro used three 2008 sales of ranch-type dwellings between 7 and 13 years old in the Tama/Toledo area that he deemed comparable in style, area, and construction. These were adjusted for site, gross living area, basement finish, garage size and other amenities. Gross adjustments were 9.2% to 16.2%. The unadjusted sales price per square foot of the comparable properties ranged from \$88.14 to \$141.28 per square foot with a median of \$130.67 per square foot. Adjusted sales prices were \$205,850, \$220,200, and \$220,900. While this appraisal is indicative of the March 2009, value of the subject property, we are do not rely on it to indicate the

market value as of January 1, 2011. This is because the sales in the appraisal were all from 2008.

Secondly, more current data indicates the subject property 2011 assessment of \$123.64 per square foot is with the range of the 2010 and early 2011 comparable sales prices per square foot of \$108.75 to \$128.45 per square foot, and the range of comparable property assessments of \$107.82 to \$124.80 per square foot.

Reviewing all the evidence, we find that the preponderance of the evidence does not support the Huttons' claims of inequitable assessment or over-assessment as of January 1, 2011.

### *Conclusion of Law*

The Appeal Board applied the following law.

The Appeal Board has jurisdiction of this matter under Iowa Code sections 421.1A and 441.37A (2009). This Board is an agency and the provisions of the Administrative Procedure Act apply to it. Iowa Code § 17A.2(1). This appeal is a contested case. § 441.37A(1)(b). The Appeal Board determines anew all questions arising before the Board of Review related to the liability of the property to assessment or the assessed amount. § 441.37A(3)(a). The Appeal Board considers only those grounds presented to or considered by the Board of Review. § 441.37A(1)(b). But new or additional evidence may be introduced. *Id.* The Appeal Board considers the record as a whole and all of the evidence regardless of who introduced it. § 441.37A(3)(a); *see also Hy-vee, Inc. v. Employment Appeal Bd.*, 710 N.W.2d 1, 3 (Iowa 2005). There is no presumption that the assessed value is correct. § 441.37A(3)(a).

In Iowa, property is to be valued at its actual value. Iowa Code § 441.21(1)(a). Actual value is the property's fair and reasonable market value. *Id.* "Market value" essentially is defined as the value established in an arm's-length sale of the property. § 441.21(1)(b). Sale prices of the property or comparable properties in normal transactions are also to be considered in arriving at market value. *Id.*

If sales are not available, “other factors” may be considered in arriving at market value. § 441.21(2). The assessed value of the property “shall be one hundred percent of its actual value.” § 441.21(1)(a).


To prove inequity, a taxpayer may show that an assessor did not apply an assessing method uniformly to similarly situated or comparable properties. *Eagle Food Centers v. Bd. of Review of the City of Davenport*, 497 N.W.2d 860, 865 (Iowa 1993). Alternatively, a taxpayer may show the property is assessed higher proportionately than other like property using criteria set forth in *Maxwell v. Shriver*, 257 Iowa 575, 133 N.W.2d 709 (1965). The gist of this test is the ratio of the difference between the assessment and market value, even though Iowa law now requires assessments to be 100% of market value. § 441.21(1). Huttons did not argue that an assessing method was not equally applied under the *Eagle Food* analysis and did not provide the proof necessary under the *Maxwell v. Shriver* test.

In an appeal that alleges the property is assessed for more than the value authorized by law under Iowa Code section 441.37(1)(b), there must be evidence that the assessment is excessive and the correct value of the property. *Boekeloo v. Bd. of Review of the City of Clinton*, 529 N.W.2d 275, 277 (Iowa 1995). The purchase price of the subject property, the 2006 and 2009 appraisals because they are dated value indicators, and the current unadjusted sales data offered by the Huttons do not establish by the preponderance of the evidence that the subject property was over-assessed as of January 1, 2011.

Viewing the evidence as a whole, we determine that the preponderance of the evidence does not support Huttons’ claims of inequity and over-assessment in the January 1, 2011, assessment. Therefore, we affirm the property assessment as determined by the Board of Review. The Appeal Board determines that the property assessment value as of January 1, 2011, is \$244,800, representing \$17,400 in land value and \$227,400 in dwelling value.

THE APPEAL BOARD ORDERS that the January 1, 2011, assessment as determined by the Tama County Board of Review is affirmed.

Dated this 9 day of November 2011.

  
Jacqueline Rypma, Presiding Officer

  
Karen Oberman, Board Member

  
Richard Stradley, Board Chair

Copies to:  
John Werner  
120 E High Street  
P.O. Box 249  
Toledo, IA 52342  
ATTORNEY FOR APPELLANTS

Brent D. Heeren  
Tama County Attorney  
100 W. High, P.O. Box 6  
Toledo, IA 52342  
ATTORNEY FOR APPELLEE

Certificate of Service	
The undersigned certifies that the foregoing instrument was served upon all parties to the above cause & to each of the attorney(s) of record herein at their respective addresses disclosed on the pleadings on <u>11-9</u> , 201 <u>1</u>	
By:	<input checked="" type="checkbox"/> U.S. Mail <input type="checkbox"/> FAX
	<input type="checkbox"/> Hand Delivered <input type="checkbox"/> Overnight Courier
	<input type="checkbox"/> Certified Mail <input type="checkbox"/> Other
Signature	